

## Message Text

CONFIDENTIAL

PAGE 01 FRANKF 03461 041510Z  
ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 TRSE-00 OMB-01 FRB-03 INT-05  
XMB-02 SS-15 NSC-05 SP-02 COME-00 /053 W  
-----050139Z 127674 /14

R 041444Z MAY 77  
FM AMCONSUL FRANKFURT  
TO SECSTATE WASHDC 8012  
INFO AMEMBASSY BONN  
AMEMBASSY MOSCOW  
AMCONSUL BREMEN  
AMCONSUL DUESSELDORF

CONFIDENTIAL FRANKFURT 3461

E.O. 11652: GDS  
TAGS: EFIN, GW, UR  
SUBJECT: FINANCING OF GERMAN PETROCHEMICAL PLANTS SALES TO  
USSR

REF : (A) MOSCOW 4432 (B) MOSCOW 5073

1. A DRESDNER BANK OFFICIAL CONFIRMED THAT  
DRESDNER AND WESTDEUTSCHE LANDES BANK HAVE CONCLUDED  
A FRAMEWORK AGREEMENT WITH THE SOVIET FOREIGN  
TRADE BANK FOR CREDITS AMOUNTING TO DM2.5 BILLION  
AS REPORTED IN REF (B) TO FINANCE CONSTRUCTION  
OF A PETROCHEMICAL COMPLEX TO BE BUILT IN THE  
SOVIET UNION BY A CONSORTIUM OF WEST GERMAN FIRMS.  
SAME SOURCE CONFIRMED RECENT REPORTS IN  
HANDELSBLATT THAT THESE CREDITS ARE EXPECTED TO BE  
COVERED BY HERMES GUARANTEES.

2. ACCORDING TO A HOECHST SOURCE, CONSORTIUM  
MEMBERS IN ADDITION TO HOECHST INCLUDE:  
ADDIX & CORDES, BAUMWOLL BOERSE, BREMEN, BRENNTAG AG,  
MUELHEIM, CYNAMIT-NOBEL AG TROISDORF, DRUPP-  
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KOPPERS GMBH, ESSEN; FAND FRIEDRICH UHDE GMBH,  
DORTMUND. HOECHST, FACED WITH OVERCAPACITY FOR  
SYNTHETIC FIBERS AND PLASTICS, AND UNWILLING TO  
TAKE SOVIET OUTPUT OF THESE COMMODITIES, BROUGHT  
ADDIX & CORDES INTO THE CONSORTIUM TO  
ACCEPT SOVIET RAW COTTON AS COMPENSATION. THUS,  
ALTHOUGH SOME BUY-BACK OF SOVIET CHEMICAL OUTPUT

IS NOT RULED OUT,FINAL AGREEMENT ON THE RAW  
COTTONG ARRANGEMENT WILL REMOVE A MJOR HURDLE  
TO CONCLUSION OF THE PROJECT.

3. EXACT TERMS AND CONDITIONS OF FINANCING,  
INCLUDINIG PRICE CALCULATIONS AND EXCHANGE RATE  
FOR BUY-BACK COMPENSATION ARRANGEMENTS HAVE NOT YET  
BEEN FINALIZED.LEHMANN

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, CHEMICALS, FINANCIAL AGREEMENTS, INDUSTRIAL PLANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 04-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977FRANKF03461  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770157-0261  
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**Handling Restrictions:** n/a  
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**Litigation History:**  
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**Message ID:** 8e86169b-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 MOSCOW 4432, 77 MOSCOW 5073  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 23-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2647831  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FINANCING OF GERMAN PETROCHEMICAL PLANTS SALES TO USSR  
**TAGS:** EFIN, GE, UR  
**To:** STATE  
**Type:** TE  
**vdkvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/8e86169b-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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